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VIA EMAIL ONLY TO altfuelscredit@finance-dem.senate.gov

Senator Max Baucus
511 Hart Senate Office Bldg.
Washington, D.C. 20510
(202) 224-2651 (O)
(202) 224-9412 (F)

Senator Chuck Grassley
135 Hart Senate Office Building
Washington, DC 20510-1501
(202) 224-3744 (O)
(202) 224-6020 (F)

Subject: Alternative Fuel Credit and Alternative Fuel Mixture Credit for Black Liquor

Dear Senators Baucus and Grassley:

I am writing to you regarding your June 11 draft legislation that proposes to prohibit the Alternative Fuel Credit and Alternative Fuel Mixture Credit for Black Liquor. I am AGAINST your proposal.

I work for Boise Inc., a large pulp and paper company based in Boise, Idaho. Boise employs approximately 4,100 employees across the U.S.A. I work in the company's administrative offices in Idaho.

According to the American Forest & Paper Association, our industry generates more energy from renewable biomass than all the energy produced nation-wide from solar, wind, and geothermal sources combined. Paper mills generate, on average, two-thirds of their own energy needs on-site from renewable biomass. Black liquor is a byproduct from processed logs that is used at papermaking facilities to generate electricity and the heat needed to remove the water from pulp to make paper.

This strong track record as a producer and user of renewable energy has made the industry a national leader in clean energy. Congress has been encouraging more businesses to use and generate renewable energy, and these tax credits were created to reward companies for doing so. Fairness dictates that credits should be available to

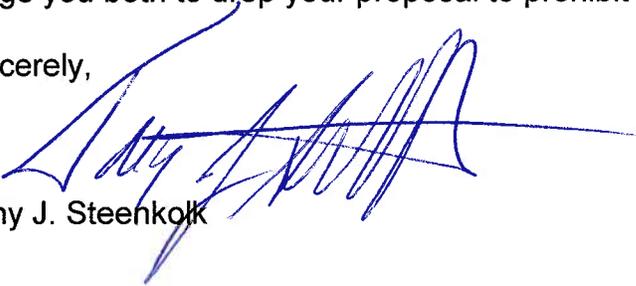
all who participate in renewable energy. By prohibiting the credit for black liquor, Congress would be penalizing companies and industries at the forefront of implementing genuine renewable energy initiatives.

In addition, prohibiting the credit for black liquor at this time is short-sighted, given the current economic downturn. This downturn has caused a dramatic decline in demand for consumer goods, which in turn has caused a historic decline in demand for paper and packaging products – and jobs. As a whole, the industry employs about 1 million workers, and many of those workers live and work in small, rural communities. This credit for black liquor is helping companies keep mills open and workers employed. In small, rural communities there aren't many employment opportunities. Loss of the credit would not only hurt workers, but there would be a huge ripple effect as suppliers, restaurants, and retailers in those communities are impacted. We can't afford to lose more jobs to off shore competitors, such as those located in Brazil and China.

The energy and environment vision of President Barack Obama and congressional leaders centers on investing in alternative fuel and renewable energy, ending U.S. dependence on foreign oil, addressing climate change by decreasing greenhouse gases, and creating green jobs. The credit for black liquor supports that vision.

I urge you both to drop your proposal to prohibit the credit for black liquor.

Sincerely,



Tony J. Steenkolk